

COMMISSION ON HIGHER EDUCATION**CHAPTER 62**

Statutory Authority: 1976 Code Section 59-149-10

62-900.1-70 Legislative Incentives for Future Excellence (LIFE) Scholarship Program**Synopsis:**

The Commission on Higher Education proposes to add in its entirety R.62-900.I- 70 for the Legislative Incentives for Future Excellence (LIFE) Scholarship Program. The LIFE Scholarship Program was established under Act 418 in 1998 and amended by the S.C. Education Lottery Act during the 2002 legislative session to authorize funding for scholarships up to the cost-of-tuition, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance (maximum \$5,000 including cost-of-tuition plus book allowance) for students attending a four-year public institution. Eligible students attending a four-year independent institution may receive funding to cover the cost-of-attendance up to a maximum of the average annual cost-of-tuition at the state's four-year public institutions, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance (maximum \$5,000 including cost-of-tuition plus book allowance). Two-year public or technical colleges may award up to the cost-of-tuition plus a three hundred dollar book allowance. The two-year independent institution may award the maximum cost-of-tuition at the two-year USC regional institutions plus a three hundred dollar book allowance. The Commission on Higher Education shall develop the LIFE Scholarship Program in order to increase access to higher education, improve the employability of South Carolina students so as to attract business to the State, provide incentives for students to be better prepared for college, and to encourage students to graduate from college on time. The law authorizes the Commission on Higher Education to promulgate regulation to administer and set forth the terms of the LIFE Scholarship Program.

Instructions: Add new 62-900.1 through 62-900.70, Legislative Incentives for Future Excellence (LIFE) Scholarship Program, to Chapter 62 regulations.

Text:

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62-900.1	Purpose of the LIFE Scholarship Program

Act 418, Legislative Incentives for Future Excellence (LIFE) Scholarship Program, was approved by the General Assembly during the 1998 legislative session and signed into law on June 19, 1998. The Act authorizes the

Commission on Higher Education to promulgate regulation for administration of the LIFE Scholarship program. The General Assembly established the LIFE Scholarship program in order to increase the access to higher education, improve the employability of South Carolina's students so as to attract business to the State, provide incentives for students to be better prepared for college, and to encourage students to graduate from college on time.

62-900.5 Program Definitions

A. Academic year" is defined as the twelve-month period during which a full-time student is expected to earn thirty credit hours. The period of time used to measure the academic year will consist of a fall, spring and summer term (or its equivalent).

B. An "approved five-year baccalaureate degree program" shall mean a five-year baccalaureate program approved by the Commission on Higher Education to receive the LIFE Scholarship for ten terms.

C. Associate degree program" is defined as a two-year technical or occupational program, or a two-year program that is acceptable for full credit towards a baccalaureate degree as defined by the U.S. Department of Education for participation in Federally funded financial aid programs.

D. "Baccalaureate degree program" is defined as an undergraduate program of study leading to a bachelor's degree as defined by the U.S. Department of Education for participation in Federally funded financial aid programs.

E. "Book allowance" shall mean funds that may be applied to the student's account for expenses towards the cost-of-attendance including the cost of textbooks.

F. "Cost-of-attendance" as established by Title IV Regulations may include tuition, fees, living expenses, and other expenses such as costs related to disability or dependent care.

G. "Cost-of-tuition" shall mean the amount charged for registering for credit hours of instruction and mandatory fees assessed to all students. Other fees, charges, or cost of textbooks cannot be included.

H. "Degree-seeking student" is defined as any full-time student enrolled in an eligible institution which leads to the first one-year certificate, first two-year program or associate's degree, or first baccalaureate or program of study that is structured so as not to require a baccalaureate degree for acceptance into the program and leads to a graduate degree. Upon completion of the first one-year certificate, first two-year program or associate's degree, or first baccalaureate or program of study that is structured so as not to require a baccalaureate degree for acceptance into the program and leads to a graduate degree. The student cannot use scholarship funds to pursue a program in the same or preceding level.

I. "Eligible institution" shall be defined as a public or independent institution.

J. "Eligible program of study" is defined as a program of study leading to: 1) at least a one-year educational program that leads to a first certificate or other recognized educational credential (e.g., diploma); 2) the first associate's degree; 3) at least a two-year program that is acceptable for full credit towards a baccalaureate degree; 4) first baccalaureate degree; or 5) program of study that is structured so as not to require a baccalaureate degree for acceptance into the program and leads to a graduate degree.

K. "Full-time student" shall mean a student who has matriculated into an eligible program of study and who enrolls full-time, usually fifteen credit hours for fall and spring terms or twelve credit hours for fall, eight credit hours for winter, and twelve credit hours for spring trimester terms. The student must earn an average of thirty credit hours per academic year to receive a LIFE Scholarship. In order for the student to be eligible for scholarship disbursement, the student must be enrolled full-time as stipulated by Title IV Regulations, except that credit hours may not include remedial coursework.

L. "General Educational Development (GED) diploma" is defined as a GED that was completed in South Carolina or outside of the state while the student was a dependent of a legal resident of South Carolina who had custody or paid child support and college expenses of the dependent GED student. A student who earns a GED cannot receive a LIFE Scholarship during his/her initial year (or equivalent) of college enrollment.

M. "High school" is defined as a high school located in South Carolina, an approved home-school program as defined in the State Statute, Sections 59-65-40, 45, and 47, or a preparatory high school located outside of the state while the student is a dependent of a legal resident of South Carolina who has custody or pays child support and college expenses of the dependent high school student. A "preparatory high school" (out-of-state) is defined as a school recognized by the state in which the school is located to offer curricula through the twelfth grade and prepares students for college entrance.

N. "Independent institutions" are those institutions eligible to participate in the South Carolina Tuition Grants Program as defined in Chapter 113 of Title 59 of the 1976 Code, which stipulates that an "independent institution of higher learning means any independent eleemosynary junior or senior college chartered before 1962 whose major campus and headquarters are located within South Carolina; or an independent bachelor's level institution which has attained 501(c)(3) tax status and is accredited by the Southern Association of Colleges and Secondary Schools or the New England Association of Colleges and Schools." Institutions whose sole purpose is religious or theological training or the granting of professional degrees do not meet the definition of 'independent institution' for purposes of this chapter.

O. "Initial college enrollment" shall mean the first time the student matriculates into a post-secondary educational institution after high school graduation or completion of an approved home school program.

P. An "offense" shall mean a violation of any law or rule in any State or Federal criminal justice system.

Q. A "one-year educational program" is defined as an undergraduate program of study leading to other recognized credentials (e.g., certificates or diplomas), as defined by the U.S. Department of Education for participation in federally funded financial aid programs and which prepares students for gainful employment in recognized occupations.

R. "Program of study that is structured so as not to require a baccalaureate degree for acceptance into the program and leads to a graduate degree", which will be the student's first academic degree awarded. Students are eligible to receive the scholarship for a maximum of eight terms (or its equivalent) as long as all other eligibility requirements are met. Students who have been awarded a baccalaureate or graduate degree are not eligible for scholarship funding.

S. "Public institutions" are institutions of higher learning as defined in Chapter 103 of Title 59 of the 1976 Code, which stipulates "public higher education shall mean any state-supported post-secondary educational institution and shall include technical and comprehensive educational institutions."

T. "Remedial coursework" shall mean sub-collegiate level preparatory courses in English, mathematics, and reading.

U. "South Carolina resident" shall be defined as an individual who satisfies the requirements of residency in accordance with the State of South Carolina State Statute for Tuition and Fees, Section 59-112-10 and all related guidelines and regulations promulgated by the Commission on Higher Education as established by the institutional residency officer each academic year.

V. "Transfer student" shall be defined as a student who has changed enrollment from one institution to an eligible institution.

62-900.10 Student Eligibility

A. To be eligible for a LIFE Scholarship, students must:

1. Be a U.S. citizen or a permanent resident that meets the definition of an eligible non-citizen under State Residency Statute;

2. Be a South Carolina resident for in-state purposes at the time of enrollment at the institution, as set forth by Section 59-112-10 and graduated from a high school according to State Statute, Section 59-149-50A;

3. First-time entering freshman at four-year eligible institutions must meet two of the following three criteria:

a. Earn a 3.0 cumulative grade point average (GPA) on a 4.0 scale. Grade point averages must be reported to two decimal places (minimum) and may not be rounded. For example, a student who earns a 2.99 GPA is not eligible. A student who earns a 3.00 GPA or above is eligible. Until 2004, students may qualify for the LIFE Scholarship using the Uniform Grading Scale (UGS) or the grade point calculation policy approved by the school district. Institutions shall use the final GPA as reported by the high school. If a weighted GPA is provided, the institution shall use the high school's weighted GPA based upon the approved policies of the school district in determining whether the student meets the "B" average. The high school must specify which grading scale was used. If more than one grade point average is reported on the final official transcript, the institution may use the grading scale that would be to the student's advantage. Only one system can be used to determine GP A and class rank for each student. For example, a high school cannot report the UGS grade point ratio (GPR) and then report the rank using the school district's approved policy for ranking. Beginning with students graduating in 2004, scholarship eligibility will be based upon the UGS only. No other grading policy will be allowed to qualify for a State scholarship.

b. Score at least an 1100 on the Scholastic Assessment Test (SAT) or an equivalent ACT score of 24. Test scores will be accepted through the June national test administration of the SAT and ACT during the year of high school graduation. It is permissible to select an SAT verbal score and math score from different test administrations.

c. Rank in the top thirty percent of the graduating class. Ranking percentages must be reported to two decimal places (minimum) and may not be rounded. For example, a student who has a class rank of 13 of 43 ($13/43 \times 100 = 30.23\%$) will not rank in the top thirty percent of the class since 30.23% is not within thirty percent. Until 2004, the institution shall use the class rank based on the approved policies of the high school or the UGS in determining whether the student ranks within the top thirty percent of their graduating class. If more than one rank is reported by the high school on the final official transcript, the institution must use the same system used to determine GP A eligibility. Only one system can be used to determine GP A and class rank for each student. Beginning with students graduating in 2004, the rank must be based upon the UGS only. To determine the top thirty percent for approved home schools and high schools who have three or less students in the graduating class, the student who is ranked number one in the class would be considered in the top thirty percent for LIFE Scholarship eligibility.

4. For first-time entering freshmen at eligible two-year or technical institutions, students must earn a 3.0 cumulative grade point average (GPA) on a 4.0 scale. Grade point averages must be reported to two decimal places (minimum) and may not be rounded. For example, a student who earns a 2.99 GPA is not eligible. A student who earns a 3.00 GPA or above is eligible. Until 2004, students may qualify for the LIFE Scholarship using the Uniform Grading Scale (UGS) or the grade point calculation policy approved by the school district. Institutions shall use the final GPA as reported by the high school. If a weighted GPA is provided, the institution shall use the high school's weighted GPA based upon the approved policies of the school district in determining whether the student meets the "B" average. The high school must specify which grading scale was used. If more than one grade point average is reported on the final official transcript, the institution may use the grading scale that would be to the student's advantage. Only one system can be used to determine GPA and class rank for each student. For example, a high school cannot report the UGS grade point ratio (GPR) and then report the rank using the school district's approved policy for ranking. Beginning with students graduating in 2004, scholarship eligibility will be based upon the UGS only. No other grading policy will be allowed to qualify for a State scholarship.

5. Be admitted, enrolled full-time, and classified as a degree-seeking student in an eligible institution in South Carolina;

6. Certify that he/she has not been adjudicated delinquent, convicted, or pled guilty or nolo contendere to any felonies, alcohol or other drug related offenses under the laws of this or any other state or under the laws of the United States by submitting a signed affidavit each academic year to the institution testifying to the fact, except that a high school or college student who has been adjudicated delinquent, convicted, or pled guilty or nolo contendere of an alcohol or other drug related misdemeanor offense is only ineligible for the next academic year of eligibility after the date of the adjudication, conviction or plea; and

7. Certify that he/she has not defaulted and does not owe a refund or repayment on any Federal or State financial aid. If a student has an Institutional Student Information Record (ISIR) or its equivalent on file, the ISIR information will be used to verify default status or refund/repayment owed on any Federal or State financial aid. Students who have not completed a Free Application for Federal Student Aid (FAFSA) form must have an affidavit on file to verify that he/she is not in default and does not owe a refund or repayment on any Federal or State financial aid including, a State Grant, Federal Pell Grant, Supplemental Educational Opportunity Grant, Perkins Loan and Federal Stafford Loan.

B. Any credit hours attempted or earned before high school graduation, hours exempted by examination, or Advanced Placement (AP) credit hours do not count against the terms of eligibility as provided in State Statute, Section 59-149-60. The credit hours earned before high school graduation can be used toward the credit hour requirement. Credit hours earned through the College Level Examination Program (CLEP) or AP and accepted by the institution can be used toward the credit hour requirement.

C. First-time entering freshman will not be penalized for any credit hours earned during the summer session immediately prior to the student's initial college enrollment. The credit hours earned will not count against the terms of eligibility, but may be used toward the credit hour requirement.

D. Students who complete their high school graduation requirements prior to the official graduation date reported on the final high school transcript may be eligible to receive the LIFE Scholarship dependent on the approval of the Commission on Higher Education (CHE). The institutional representative must complete and submit an Early Graduation Application Form and all appropriate documentation as deemed necessary by CHE for each student. The student must also request and submit a letter from the high school principal verifying that he/she has met all graduation requirements.

E. Early graduates who enroll mid-year (spring term) and are classified as degree-seeking will officially begin their initial college enrollment. In order to receive the LIFE Scholarship the next academic year, the student must earn a minimum of fifteen credit hours and a 3.0 cumulative grade point average on a 4.0 scale consistent with the policies and procedures of the institution for graduation purposes at the end of the academic year. The student will be eligible to receive the maximum number of terms of eligibility based on initial college enrollment.

F. LIFE Scholarship funds may not be applied to the costs of continuing education or remedial courses as stated in State Statute Section 59-149-110B. Twelve hours of the course-load must be non-remedial and not continuing education courses in order to receive LIFE Scholarship funds. Remedial and continuing education courses will not be included in the cumulative grade point average or credit hour calculations.

G. First-time entering freshmen attending eligible two-year or technical colleges who enroll in remedial courses during the first term(s) will not be eligible for scholarship funds during this term(s) unless the student is enrolled in at least twelve hours of non-remedial courses. Credit hours earned during the term(s) of remedial enrollment will not be used to determine remaining scholarship eligibility at the completion of remediation unless the student has completed at least twelve hours of non-remedial course work each term of enrollment. The student will be eligible for the scholarship for the term following completion of remediation if the student was eligible to receive the LIFE Scholarship upon high school graduation.

H. The terms of eligibility to receive the LIFE Scholarship shall not include the period of time the student is enrolled in remedial courses, as in Section G above. Students who were eligible for the LIFE Scholarship based on high school record but required more than one academic year of remedial course work will not be eligible for

Baccalaureate Degree Program

Freshman	8	30
Sophomore	6	60
Junior	4	90
Senior	2	N/A

Approved Five-year Baccalaureate Degree Program

Freshman	8	30
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Sophomore	6	60
Junior	4	90
Senior	2	120
Fifth year	10	N/A

*(State Statute 59-149-110B) Any credit hours attempted or earned before high school graduation, hours exempted by examination, or advanced placement credit hours do not count against the terms of eligibility as provided in State Statute Section 59-149-60. The credit hours earned before high school graduation can be used toward the credit hour requirement. Credit hours earned through the College Level Examination Program (CLEP) and accepted by the institution can be used toward the credit hour requirement.

D. For the purpose of the scholarship program:

- (1) The institution where the student is transferring *to* will determine the classification of the entering student.
- (2) Students will be classified according *to* the minimum credit hours and 3.0 GPA on the above chart based on initial college enrollment.
- (3) Students who received scholarship funds and complete a one-year certificate or diploma program will have two terms remaining *to* pursue a two-year program.
- (4) Students who receive scholarship funds and complete a one-year certificate or diploma program and enter a four-year college in a baccalaureate program will have six terms of eligibility remaining if they meet the eligibility requirements. In an approved five-year baccalaureate degree program a student will have eight terms of eligibility remaining if they meet the eligibility requirements.
- (5) Students who receive scholarship funds *for* a two-year program or associate's degree program and enter a four-year institution in a baccalaureate program will have *four* terms of eligibility remaining if they meet the eligibility requirements. In an approved five-year baccalaureate degree program students will have six terms of eligibility remaining if they meet eligibility requirements.

62-900.25 Regaining or Earning Eligibility

A. Students who were not initially eligible or failed to meet the continued eligibility requirements may earn or regain eligibility, if they:

1. Meet all eligibility requirements as stated in the "Student Eligibility" Section;
2. Earn and maintain at least a cumulative 3.0 grade point average on a 4.0 scale consistent with the policies and procedures of the institution for graduation purposes;
3. Earn an average of thirty credit hours by the end of the academic year consistent with the policies and procedures of the institution for graduation purposes:
 - (a) Earn a minimum of 30 (or the equivalent) credit hours if a rising sophomore; or
 - (b) Earn a minimum of 60 (or the equivalent) credit hours if 8 rising junior; or
 - (c) Earn a minimum of 90 (or the equivalent) credit hours if a rising senior; or
 - (d) Earn a minimum of 120 (or its equivalent) credit hours if entering the fifth year of an approved five-year baccalaureate degree program.

the LIFE Scholarship the term after completion of remediation.

To gain eligibility, these students must meet the conditions set forth in Section I below.

I. Students who do not meet the scholarship eligibility requirements upon high school graduation and enroll in remedial courses during the first year must meet the scholarship requirements for eligibility (earn a minimum 3.0 cumulative grade point average on a 4.0 scale and earn an average of thirty credit hours for the academic year) at the end of the first year of enrollment in non-remedial courses to be eligible to receive the scholarship for the second year.

J. Students who are eligible for or are recipients of a LIFE Scholarship cannot receive a Palmetto Fellows Scholarship, SC HOPE Scholarship or Lottery Tuition Assistance.

K. Students who have already been awarded their first baccalaureate degree, graduate degree, or program of study that is structured so as not to require a baccalaureate degree for acceptance into the program and leads to a graduate degree are not eligible to receive the LIFE Scholarship.

L. All documents required for determining LIFE Scholarship eligibility must be submitted to the institution by their established deadline(s).

62-900.15 Continued Eligibility

A. In order to renew eligibility for the LIFE Scholarship Program, the student must:

1. Meet all eligibility requirements as stated in the "Student Eligibility" Section;
2. Earn and maintain at least a cumulative 3.0 grade point average on a 4.0 scale by the end of the academic year consistent with the policies and procedures of the institution for graduation purposes; and
3. Earn an average of thirty credit hours (or its equivalent) by the end of each academic year consistent with the policies and procedures of the institution for graduation purposes.

B. Students who meet the continued eligibility requirements by the end of the spring term and who enroll in a summer session(s) will not be eligible to receive the LIFE scholarship if their cumulative grade point average falls below a 3.0 at the end of the summer session.

62-900.20 Terms of Eligibility

A. Students may receive a LIFE Scholarship for a maximum of two terms for a one-year certificate or diploma program, four terms for an associate's degree program or a two-year program that is acceptable for full credit towards a baccalaureate degree, eight terms (or its equivalent) towards the first baccalaureate or program of study that is structured so as not to require a baccalaureate degree for acceptance into the program and leads to a graduate degree program or ten terms towards an approved five-year baccalaureate degree program.

B. The maximum number of terms of eligibility is based on the student's initial college enrollment with the exception of credit hours earned during the summer session immediately prior to the student's initial college enrollment and remedial coursework taken during the first academic year.

C. If a student pursues the following program, the terms of eligibility and credit hours are required for renewal:

Degree Program	Terms of Eligibility	Total Minimum Credit Hours for Renewal
One-year Certificate/Diploma Program	2	30
Two-year Program	4	30/60
Associate's Degree Program	4	30/60
Baccalaureate Degree Program	8	30/60/90

B. A student who has earned a GED diploma may be eligible to earn the LIFE Scholarship at the end of the first academic year based on the student's initial college enrollment. The student must earn a minimum of thirty credit hours (or equivalent) and a cumulative 3.0 grade point average on a 4.0 scale consistent with the policies and procedures of the institution for graduation purposes at the end of the first academic year and must meet all other eligibility requirements as stated in Section A above.

C. Students who enrolled mid-year (spring term) may be eligible to receive the LIFE Scholarship the next academic year, if the student earned a minimum of fifteen credit hours and a 3.0 cumulative grade point average on a 4.0 scale consistent with the policies and procedures of the institution for graduation purposes at the end of the academic year. The student will be eligible to receive the maximum number of terms of eligibility based on initial college enrollment.

62-900.30 Transfer Students

A. Transfer students must comply with all student and continued eligibility requirements as defined in the "Student Eligibility, Continued Eligibility, or Regaining or Earning Eligibility" Sections, including the cumulative 3.0 grade point average requirement on a 4.0 scale.

B. Students transferring from one institution to an eligible institution who may be eligible to receive a LIFE Scholarship must submit an official transcript(s) from the transferring institution(s), which provides evidence of current credit hours earned and cumulative grade point average. For students transferring from an institution out- of-state, you must meet the eligibility requirements as stated in the "Student Eligibility" and "Regaining or Earning Eligibility" Sections.

C. Students who transfer mid-year from one institution to an eligible institution may be eligible to receive the LIFE Scholarship. The student must submit an official document from the transferring institution to verify that he/she met the eligibility requirements at the beginning of the academic year prior to transfer. The scholarship amount for the spring term must comply with the award amount specified in the "Institutional Disbursements" Section.

D. For determining initial eligibility for the first time at an institution, transfer students must have:

I. earned a cumulative 3.0 grade point average on a 4.0 scale at all transferring institutions. For future eligibility in subsequent years, the student must earn a cumulative 3.0 grade point average on a 4.0 scale consistent with the policies and procedures of the institution for graduation purposes; and

2. earned a minimum of thirty credit hours or an annual equivalent for a student who begins mid-year at an eligible institution and all prior institutions for the previous academic year to be eligible for the scholarship as a continuing student and/or consistent with the policies and procedures of the institution for graduation purposes; or

3. earned a minimum of sixty credit hours or an annual equivalent at the eligible institution and all prior institutions to be eligible for the scholarship as a continuing student and/or consistent with the policies and procedures of the institution for graduation purposes; or

4. Earned a minimum of ninety credit hours or an annual equivalent at the eligible institution and all prior institutions to be eligible for the scholarship as a continuing student and/or consistent with the policies and procedures of the institution for graduation purposes.

E. For determining remaining terms of eligibility, the institution where the student is transferring will determine the classification of the entering transferring student and use this classification to determine the remaining terms of eligibility in compliance with the "Terms of Eligibility" Section.

62-900.35 Students with Disabilities

A. Students who qualify under the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973 must meet all eligibility requirements as defined in "Student Eligibility, Continued Eligibility, Regaining or Earning Eligibility, or Transfer Students" Sections except for the full-time enrollment requirement, if approved by the Disability Services Provider. Students must comply with all institutional policies and procedures in accordance with ADA and Section 504 of the Rehabilitation Act of 1973.

B. The institutional Disability Services Provider must provide written documentation to the Office of Financial Aid each academic year verifying that the student is approved to be enrolled in less than full-time status or earn less than the required annual credit hours. The institution is responsible for retaining appropriate documentation according to the "Program Administration and Audits" Section.

C. For renewal, students who qualify under ADA and Section 504 of the Rehabilitation Act of 1973 must meet all requirements as stated in the "Continued Eligibility" Section, except that if a student does not meet the annual credit hour requirement, the student must have been approved by the Disability Services Provider in the prior academic year to be enrolled in less than "full-time" status or less than the required thirty credit hours. Students must complete the required number of hours approved by the institutional Disability Services Provider each academic year for scholarship renewal and earn a minimum 3.0 cumulative grade point average on a 4.0 scale by the end of the academic year. Students must comply with all institutional policies and procedures in accordance with ADA and Section 504 of the Rehabilitation Act of 1973.

D. Students who qualify under ADA and Section 504 of the Rehabilitation Act of 1973 may receive the maximum number of terms of eligibility as stated in the "Terms of Eligibility" Section.

E. In order to be eligible for the LIFE Scholarship, students who no longer qualify under ADA and Section 504 of the Rehabilitation Act of 1973 must comply with all requirements set forth under "Student Eligibility, Continued Eligibility, Regaining or Earning Eligibility, or Transfer Students" Sections.

62-900.40 Enrollment in Internships, Cooperative Work Programs, Travel Study Programs and National and International Student Exchange Programs

A. Students enrolled in internships, cooperative work programs, travel study programs, or National or International Student Exchange Programs that are approved by the home institution and that the home institution accepts as full-time transfer credit are eligible to receive LIFE Scholarship funds during the period in which the student is enrolled in such programs. Students will be required to meet the continued eligibility requirements.

B. Eligible students may use the appropriated portion of the LIFE Scholarship funds for internships, cooperative work programs, travel study programs or National or International Student Exchange Programs that are approved by the home institution and that the home institution accepts as full-time transfer credit. LIFE Scholarship funds must be paid directly to the student's account at the home institution and cannot exceed the cost-of-attendance at the home institution or the cost-of-attendance at the host institution, whichever is less. The Commission on Higher Education will not transfer scholarship funds directly to the institution where the student will participate in internships, cooperative work programs, travel study programs or National or International Student Exchange Programs. The institution is responsible for scholarship funds according to the "Policies and Procedures for Awarding" Section.

C. Students who enroll in one term at the home institution during the academic year and also enroll in an internship, cooperative work program, travel study program or National or International Student Exchange Program that are approved by the home institution and that do not award full-time transfer credit during the same academic year, must complete fifteen credit hours and earn a 3.0 cumulative grade point average on a 4.0 scale consistent with the policies and procedures of the institution for graduation purposes at the end of the academic year to be eligible for scholarship renewal for the next academic year. Students who did not use the entire eligibility for LIFE Scholarship funds during this period shall be allowed to receive LIFE Scholarship funds during the succeeding summer or at the end of the maximum terms of eligibility based on the initial college enrollment date (provided the student meets continued eligibility requirements).

D. For students enrolled in an internship, cooperative work program, travel study program or National or International Student Exchange Program during the entire academic year that is approved by the home institution but does not award full-time transfer credit for the entire academic year, scholarship renewal for the next academic year will be based on the prior year's eligibility. Students did not use the entire eligibility for LIFE

Scholarship funds during this period shall be allowed to receive LIFE Scholarship funds during the succeeding summer or at the end of the maximum terms of eligibility based on the initial college enrollment date (provided the student meets continued eligibility requirements).

E. Students enrolled in an internship, a cooperative work program, a travel study program or National or International Student Exchange Program during the academic year that is approved by the home institution and did not use the entire eligibility for LIFE Scholarship funds during this period shall be allowed to receive LIFE Scholarship funds during the succeeding summer or at the end of the maximum terms of eligibility based on the initial college enrollment date (provided the student meets continued eligibility requirements). In order to receive LIFE Scholarship funds for summer school, students must enroll in twelve credit hours during the summer. In order to maintain eligibility for the next academic year for students who only attend summer school at the home institution, the student must earn twelve credit hours during the academic year. For students who enroll in summer school and one other term of the academic year at the home institution, the student must earn a total of twenty-seven credit hours (or its equivalent) for the academic year. The student must meet all eligibility requirements as specified in the "Continued Eligibility" Section, except for the completion of the thirty credit hour requirement for the academic year.

F. The home institution will be responsible for securing official certification of the student's cumulative grade point average, credit hours earned, and satisfactory academic progress for the purposes of determining eligibility for scholarship renewal for the next academic year.

62-900.45 Refunds and Repayments

A. In the event a student who has been awarded a LIFE Scholarship withdraws, is suspended from the institution, or drops below full-time enrollment status during any term of the academic year, institutions must reimburse the LIFE Scholarship Program for the amount of the LIFE Scholarship for the term in question pursuant to the refund policies of the institution. Collection is the responsibility of the institution.

B. In the event a student withdraws or drops below full-time status after the institution's refund period and therefore must pay tuition and fees for full-time enrollment, the scholarship may be retained pursuant to the refund policies of the institution.

62-900.50 Appeals Procedures

A. The Commission on Higher Education shall define the appeals procedures.

B. Students who did not meet the continued eligibility requirements for the scholarship at the end of the academic year due to an extenuating circumstance may request an appeal with the Commission on Higher Education.

C. The Commission on Higher Education will allow a student to submit only one appeal each academic year based on an extenuating circumstance.

D. A completed appeal's application must be filed with the Commission on Higher Education by the established deadline of the academic year the scholarship is requested. The student must provide a completed application for appeal, a letter requesting an appeal describing the extenuating circumstance, official transcripts from all prior institutions, and any other supporting documentation to substantiate the basis for the appeal.

E. The LIFE Scholarship shall be suspended during the appeal period, but will be awarded retroactively if the appeal is granted.

F. The Appeals Committee's decision is final

62-900.55 Institutional Policies and Procedures for Awarding

A. LIFE Scholarship awards are to be used only for payment toward the cost-of-attendance as established by Title IV Regulations. Eligible four-year public institutions shall identify award amounts up to the cost-of-tuition for thirty credit hours, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance (maximum \$5,000 including cost-of-tuition plus book allowance) per academic year. Eligible four-year independent institutions shall identify award amounts that cover the cost-of-attendance up to a maximum of the average annual cost-of-tuition at the state's four-year public institutions, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance (maximum \$5,000 including book allowance) per academic year. Eligible two-year public or technical institutions shall identify award amounts, which cannot exceed the cost-of-tuition for thirty credit hours plus a three hundred dollar book allowance per academic year. For students enrolled at eligible two-year independent institutions, the award amount shall not exceed the maximum cost-of-tuition at the two-year USC regional institutions plus a three hundred dollar book allowance. The LIFE Scholarship in combination with all other gift aid, including Federal, State, private and institutional funds, shall not exceed the cost-of-attendance as defined in Title IV regulations for any academic year.

B. Students who have already been awarded a first baccalaureate degree, graduate degree or a program of study that is structured so as not to require a baccalaureate degree for acceptance into the program and leads to a graduate degree are not eligible to receive the LIFE Scholarship.

C. Eligible institutions shall provide an award notification to eligible students that will include the book allowance and also contain the terms and conditions of the scholarship. Institutions will notify students of all adjustments in scholarship funds that may result from an over-award, change in eligibility, change in the student's residency or financial status or other matters.

D. The institution must retain annual paper or electronic documentation *for* each award *to* include at a minimum:

1. Award notification
2. Institutional disbursement to student
3. Student's residency status
4. Refund and repayment (if appropriate)
5. Enrollment and curriculum requirements
6. Cumulative 3.0 grade point average and required number of earned credit hours
7. Affidavit documenting that the student has never been convicted of any felonies, any alcohol or other drug-related misdemeanor offenses
8. Institutional Student Information Record (ISIR) or affidavit documenting that the student is not in default or does not owe a refund or repayment on any State or Federal financial aid
9. High school transcript(s) verifying graduation or home-school completion date or GED Diploma, grade point averages and class rank (first-time entering freshmen)
10. SAT or ACT scores (first-time entering freshmen)
11. Verification of student's disability (if appropriate)

E. It is the institution's responsibility to ensure that only eligible students receive a scholarship award.

F. Any student who has attempted to obtain or has obtained a LIFE Scholarship award through means of willfully false statement or failure to reveal any material fact, condition, or circumstances affecting eligibility will be subject to applicable civil or criminal penalties, including loss of the LIFE Scholarship.

62-900.60 Institutional Disbursements

A. Eligible four-year public institutions shall award amounts, which cannot exceed the cost-of-tuition for thirty credit hours a year, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance per academic year. Eligible four-year independent institutions shall award amounts that cover the cost-of-attendance up to a maximum of the average annual cost-of-tuition at the state's four-year public institutions, not to exceed four thousand seven hundred dollars, plus a three hundred dollar book allowance per academic year. Eligible two-year public or technical institutions shall award amounts, which cannot exceed the cost-of-tuition for thirty credit hours plus a three hundred dollar book allowance per academic year. For students enrolled at eligible two-year independent institutions, the award amount shall not exceed the maximum cost-of-tuition at the two-year USC regional institutions plus a three hundred dollar book allowance per academic year. Half shall be disbursed during the fall term and half during the spring term (or its equivalent), assuming continued eligibility. Scholarships cannot be disbursed during the summer or any interim sessions

with the exception to disbursements that meet the requisites under the "Enrollment in Internships, Cooperative Work Programs, Travel Study Programs and National and International Student Exchange Programs" Section. The LIFE Scholarship in combination with all other gift aid, including Federal, State, private and institutional funds, shall not exceed the cost-of-attendance as defined in Title IV regulations for any academic year.

B. The LIFE Scholarship may not be applied to a second baccalaureate degree or a program of study that is structured so as not to require a baccalaureate degree for acceptance into the program and leads to a graduate degree program as defined in the "Program Definitions" Section. In the event of early graduation, the scholarship award is discontinued.

C. After the last day to register for each term of the academic year, the institution will verify enrollment of each recipient as a South Carolina resident who is a full-time degree-seeking student. According to the Scholarship and Grant Programs Policies and Procedures Manual, a listing of all eligible recipients by social security numbers with award amounts for the term must be sent to the Commission on Higher Education with the institution's request for funds. A year-end reconciliation report will be submitted to the Commission on Higher Education prior to June 30th. The reconciliation report shall include any additional requests for funds and/or return of unused funds.

D. The Commission will disburse awards to the eligible institutions to be placed in each eligible student's account.

62-900.65 Program Administration and Audits

A. The South Carolina Commission on Higher Education shall be responsible for the oversight of functions (e.g., guidelines, policies, rules, regulation) relative to this program with participating institutions. The Commission on Higher Education shall be responsible for the allocation of funds, promulgation of guidelines and regulation governing the LIFE Scholarship Program, any audits or other oversight as may be deemed necessary to monitor the expenditures of scholarship funds.

B. According to the Audit Policies and Procedures for Scholarship and Grant Programs Manual, all eligible institutions that participate in the program must abide by program policies, rules or regulation. Institutions also agree to maintain and provide all pertinent information, records, reports or any information as may be required or requested by the Commission on Higher Education or the General Assembly to ensure proper administration of the program.

C. The Chief Executive Officer at each participating institution shall identify to the Commission on Higher Education a LIFE Scholarship institutional representative who is responsible for the operation of the program on the campus and will serve as the contact person. The institutional representative will act as the student's fiscal agent to receive and deliver funds for use under the program.

62-900.70

Suspension or Termination of Institutional Participation

A. The Commission may review institutional administrative practices to determine institutional compliance with pertinent statutes, guidelines, rules or regulations. If such a review determines that an institution has failed to comply with program statutes, guidelines, rules or regulations, the Commission may suspend, terminate, or place certain conditions upon the institution's continued participation in the program and require reimbursement to the LIFE Scholarship program for any funds lost or improperly awarded.

B. Upon receipt of evidence that an institution has failed to comply, the Commission on Higher Education shall notify the institution in writing of the nature of such allegations and conduct an audit.

C. If an audit indicates that a violation or violations may have occurred or are occurring at any eligible public or independent institution, the Commission on Higher Education shall secure immediate reimbursement from the

institution in the event that any funds were expended out of compliance with the provisions of the Act, any relevant statutes, guidelines, rules, and regulations.

Fiscal Impact:

There will be no increased costs to the State or its political subdivisions.

Statement of Rationale:

The LIFE Scholarship Program was initially established in 1998 under Act 418 as Code Section 59-149-10. During the 2002 legislative session, Section 59-149-10 was amended by the South Carolina Education Lottery Act to provide updated procedures to administer the program beginning academic year 2002-03.

Approved February 25, 2005